

Company

Sabco Agri-Nutrient
Company
1Q26 Result Review

Rating

Under Review

Bloomberg Ticker

SAFCO AB

Date

29 April 2026

Results

Target Price (SAR) **Under Review**

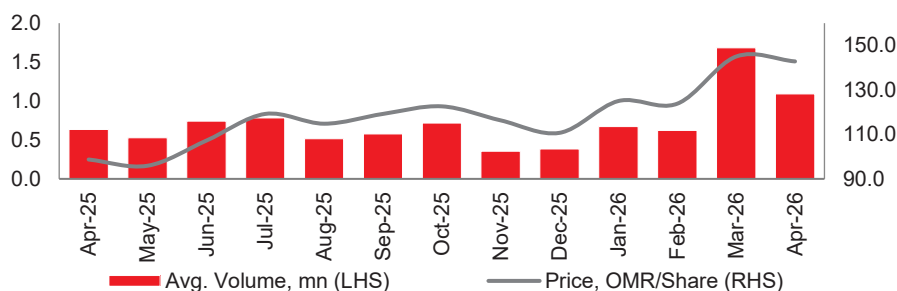
Total Return -

| | |
|----------------------------|---------------|
| Current Market Price (SAR) | 142.8 |
| 52wk High / Low (SAR) | 159.3/94.7 |
| 12m Average Vol. (000) | 674.3 |
| Mkt. Cap. (USD/SAR bn) | 18,124/67,978 |
| Shares Outstanding (mn) | 476.0 |
| Free Float (%) | 49.9% |
| 3M ADTV (SAR mn) | 138.3 |
| 6M ADTV (SAR mn) | 91.9 |
| P/E'26e (x) | 17.4 |
| P/B'26e (x) | 2.9 |
| Dividend Yield '26e (%) | 4.4% |
| Price Perf. (1m/3m) (%) | 0/14.2 |

Research Department

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For our
last report

**Volumetric decline offsets price gains for 1Q26**

Sabco-Agri reported revenue of SAR 2,874mn, declining by 7% YoY. The decline on YoY basis was driven by a drop in sales volumes, which outweighed the increase in average selling prices.

Higher margins in 1Q26 drove net profit higher

Despite lower revenue, Sabco-Agri reported net profit of SAR 1,227mn, increasing 25% YoY. The growth in profitability was driven by margin expansion, supported by higher average selling prices.

U-Capital View

SABIC Agri-Nutrients' 2Q26 outlook is underpinned by a tight nitrogen market, following price gains earlier in the year driven by robust demand and disruptions to Middle East shipping. These constraints elevated global prices and logistics costs while tightening supply, particularly for import-dependent markets. Looking ahead, market direction will hinge on the normalization of regional shipping activity and the clearing of backlogs in the Arabian Gulf. While demand is expected to remain resilient, affordability pressures may moderate consumption, with prices likely to ease gradually as trade flows stabilize. We are placing the stock under review and will revisit our rating as visibility improves.

Financial Summary

| SAR mn | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 1Q26e | YoY | QoQ | Var. |
|-------------------------|--------|--------|--------|--------|--------|-------|-----|------|------|
| P&L | | | | | | | | | |
| Revenue | 3,074 | 3,287 | 3,522 | 3,194 | 2,874 | 3,744 | -7% | -10% | -23% |
| Gross profit | 1,165 | 1,267 | 1,443 | 1,204 | 1,369 | 1,330 | 17% | 14% | 3% |
| Operating profit | 857 | 1,028 | 1,224 | 913 | 1,168 | 943 | 36% | 28% | 24% |
| Net profit | 984 | 1,059 | 1,290 | 989 | 1,227 | 1,009 | 25% | 24% | 22% |
| BS | | | | | | | | | |
| Shareholders' Equity | 19,286 | 20,156 | 19,702 | 21,203 | 20,831 | | 8% | -2% | |
| Ratios | | | | | | | | | |
| Gross profit margin | 37.9% | 38.5% | 41.0% | 37.7% | 47.6% | 35.5% | | | |
| Operating profit margin | 27.9% | 31.3% | 34.8% | 28.6% | 40.6% | 25.2% | | | |
| Net profit margin | 32.0% | 32.2% | 36.6% | 31.0% | 42.7% | 26.9% | | | |
| RoE (TTM) | | | | | 21.9% | | | | |
| P/E (TTM) | | | | | 15.1 | | | | |
| Current P/B | | | | | 3.0 | | | | |

Source: Financials, Tadawul, Bloomberg, U Capital Research



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Recommendation

BUY

Greater than 10%

HOLD

Between
0% and +10%

SELL

Lower than 0%

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